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2006 AUG 18 P 4: 04

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August 18, 2006

Lawrence Norton, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: **MUR 5768**
Boswell for Congress

RECEIVED
FEC MAIL
OPERATIONS CENTER
2006 AUG 18 P 3: 15

Dear Mr. Norton:

We write on behalf of Boswell for Congress (the "Committee") and Carl McGuire, as treasurer, in response to the complaint filed by the Republican Party of Iowa in the above-referenced MUR (the "Complaint"). The Complaint alleges that a fundraising invitation to a Committee event sent on corporate stationery was an illegal corporate in-kind contribution to the Committee, and that the invitation lacked the required disclaimer. Neither allegation is true. The Commission should find no reason to believe that the Committee violated the Federal Election Campaign Act (the "Act") and dismiss the complaint.

I. FACTUAL BACKGROUND

West Central Cooperative ("WCC") is an agricultural cooperative located in Ralston, Iowa. It maintains a federal separate segregated fund, West Central Cooperative Political Action Committee ("WCCPAC").

In May of this year, WCCPAC, through the company's chief executive officer, Jeff Stroburg, offered to host a fundraising event for the Committee. The Committee accepted, while making sure to remind those organizing the event with Mr. Stroburg that the Committee could not accept corporate contributions. See Electronic Mail

[62268-0001/DA062270 050]

ANCHORAGE BEIJING BELLEVUE BOISE CHICAGO DENVER LOS ANGELES
MENLO PARK OLYMPIA PHOENIX PORTLAND SAN FRANCISCO SEATTLE WASHINGTON, D C

Perkins Coie LLP and Affiliates

27044162203

from Jayson Sime, Boswell for Congress, to Larry Kallem, May 3, 2006, attached at Exhibit A.

The fundraising event was a luncheon held at the Tournament Club of Iowa on May 30, 2006. The Committee's records show that it received \$7,925 in contributions in connection with the event from eleven donors. Committee staff attended the event and collected all the checks. The Committee itself bore all of the rental and catering costs incurred in connection with the event. A copy of the invoice issued by the Tournament Club of Iowa, and a copy of the check the Committee issued to pay the costs, are attached at Exhibit B.

Shortly after the event, and before the Complaint was filed, the Committee learned that Mr. Stroburg had sent an invitation to the event, which had been erroneously printed on WCC letterhead rather than on WCCPAC letterhead. Until then, no one at the Committee had seen the invitation. WCC later issued an invoice for the fair market value of the goods and services used in connection with the invitation, which the Committee promptly paid. Copies of the invoice, and of the Committee's cancelled check, are attached at Exhibit C.

II. LEGAL DISCUSSION

The Complaint asserts two purported violations. First, it claims that "[t]he use of corporate letterhead to solicit funds is a violation under 2 U.S.C. § 441(b) [sic] and 11 C.F.R. § 114.2." Second, it claims that "[t]he invitation also lacked a federal election disclosure [sic], as required by law."

Neither of these claims is true. While the Act prohibits corporations from making contributions or expenditures in connection with federal elections, Commission rules expressly permit candidates to use corporate facilities, including telephones, typewriters, and office space, for fundraising activity as long as the corporation is reimbursed "within a commercially reasonable time" at the normal and usual charge for such resources or services. 11 C.F.R. §§ 114.2, 114.9.

The Commission has previously been asked to prohibit the use of corporate logos or letterhead in fundraising solicitations. The Commission declined to do so, being unable to "reach a majority decision by the required four affirmative votes." *See* Corporate and Labor Organization Activity; Express Advocacy and Coordination With Candidates, 60 Fed. Reg. 64,260, 64,268 (1995). Thus, a campaign that pays

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within a commercially reasonable time for the use of corporate letterhead does not receive a prohibited contribution.

Here, the Committee paid within a commercially reasonable time for all of the costs associated with the invitation. The invitation was dated May 9; the Committee paid the *de minimis* related costs on June 26. Moreover, the Committee directly paid all the other expenses related to the event, including room rental and catering. Finally, the facts present no other violation of Part 114. As noted above, the Committee itself collected all of the checks made in connection with the event.

The claim of a disclaimer violation is also incorrect. The invitation would have been required to carry a disclaimer if it had been a "public communication." See 11 C.F.R. § 110.11(a). A "public communication" includes mailings only to the extent that they are sent to more than 500 people. See 11 C.F.R. §§ 100.26, 100.27. Here, nowhere near 500 copies of the invitation were mailed; the Committee understands that only approximately 50 copies were sent. Thus, the invitation was not required to carry a disclaimer.

III. CONCLUSION

The facts warrant no further action with respect to this Complaint. They involve a single invitation sent without the Committee's knowledge, for which the Committee promptly paid. The specific claims of an illegal corporate in-kind contribution and disclaimer violation are contradicted by the law and facts.

Accordingly, we respectfully request that the Commission find no reason to believe that a violation occurred in this matter, and dismiss the complaint.

Very truly yours,



Brian G. Svoboda
Rebecca H. Gordon
Counsel to Respondents Boswell for Congress
and Carl McGuire, as treasurer

Enclosures

27044162205

27044162206

EXHIBIT B

Tournament Club of Iowa, LLC
 Attn: Jann Bowersox
 1000 Tradition Drive
 Polk City, Iowa 50226

Statement

5/31/06

Acct#: 1179.0

Congressman Boswell Stroburg, Jeff
 12303 NW 158th Avenue
 Madrid, IA 50156

Amount Due: \$561.93
 DUE UPON RECEIPT

Amount Paid: _____

27044162207

		EVENTS				
110807	5/30/06					561.93
	TCI Grille Lunch Buffet	20	16.90	338.00	23.66	
	Coffee	3	1.75	5.25	0.37	
	Lemonade	3	1.50	4.50	0.32	
	Iced Tea	8	1.50	12.00	0.84	
	Room Rental	1	100.00	100.00		
	Service Charge	1	71.95	71.95	5.04	


FAX	DATE 5/23/06	PAGES 1	FROM Jann Bowersox
TO Jason Sims	CO TCI		
CD For			
Congressman Boswell Stroburg			
FAX # 515/953-6697	FAX # 984-9441		

MESSAGE

TCI

If you have any questions, please call 515 984 7193

27044162208

 **BOSWELL FOR CONGRESS**
DAVE BOSWELL, TREAS.

POSTED
DATE 06-24-06

4855

PAY TO THE ORDER OF Government Unit of Iowa \$ 561.93
Five Hundred Sixty One and 93/100

ASSOCIATED BANK

Paul M. Allen

4855 \$561.93 06/29/2006

27044162209

EXHIBIT C



WEST CENTRAL®

Event: Congressman Boswell Luncheon
Date: Tuesday, May 30, 2006
Time: 12:30 p.m. - 2:00 p.m.
Location: Tournament Club of Iowa
1000 Tradition Drive
Polk City, Iowa

Expenses:

62 Invitations

Cost of laser printer \$1.04

Stationary \$2.96

Envelope \$1.78

Stamps \$19.24

Labels \$4.16

Admin Cost \$30.00

\$59.16

27044162210

27044162211

BONFILL FOR CONGRUUM		4856
CARL M. COLING, TREAS.		
DATE 06-26-06		
West Central		\$ 59.16
Nightline Dallas and The		
Signature		

*

4856 \$59.16 07/05/2006